SECOND REGULAR SESSION

SENATE BILL NO. 965

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LAGER.

Read 1st time February 27, 2014, and ordered printed.

6289S.01I

TERRY L. SPIELER, Secretary.

AN ACT

To amend chapter 643, RSMo, by adding thereto one new section relating to carbon dioxide emissions standards.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 643, RSMo, is amended by adding thereto one new 2 section, to be known as section 643.700, to read as follows:

- ection, to be known as section 643.700, to read as follows:

 643.700. 1. The commission shall establish separate standards of
- 2 performance for carbon dioxide emissions from existing coal-fired and
- 3 natural gas-fired electric generating units. The standards of
- 4 performance established under this section shall be adjusted on a case-
- 5 by-case basis and implemented according to the provisions of this 6 section.
- 2. Except as provided by subsection 4 of this section, the standard of performance established for existing coal-fired electric
- 9 generating units shall be based on:
- 10 (1) The best system of emission reduction which, taking into
- 11 account the cost of achieving such reduction and any non-air quality
- 12 health and environmental impact and energy requirements, has been
- 13 adequately demonstrated for coal-fired electric generating units that
- 14 are subject to the standard of performance;
- 15 (2) Reductions in emissions of carbon dioxide that can
- 16 reasonably be achieved through measures undertaken at each coal-fired
- 17 electric generating unit; and
- 18 (3) Efficiency and other measures that can be undertaken at each
- 19 coal-fired electric generating unit to reduce carbon dioxide emissions
- 20 from the unit without switching from coal to other fuels, co-firing other
- 21 fuels with coal, or limiting the utilization of the unit.

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3. Except as provided by subsection 4 of this section, the standard of performance established for existing gas-fired electric generating units shall be based on:

- 25 (1) The application of the criteria specified in subdivisions (1) 26 and (2) of subsection 2 of this section; and
- (2) Efficiency and other measures that can be undertaken at the unit to reduce carbon dioxide emissions from the unit without switching from natural gas to other lower-carbon fuels or limiting the utilization of the unit.
 - 4. In establishing a standard of performance for any existing fossil fuel-fired electric generating unit, the commission shall consider in all cases whether to adopt less stringent standards or longer compliance schedules than those provided for in applicable federal rules or guidelines based on the following:
- 36 (1) Consumer impacts, including any disproportionate impacts 37 of energy price increases on lower income populations;
- 38 (2) Unreasonable costs of reducing emissions resulting from the 39 age, location, or basic process design of the coal-fired or natural gas-40 fired electric plant;
 - (3) Physical difficulties with or impossibility of implementing emission reduction standards;
- 43 (4) The expected remaining useful life of the electric generating 44 unit;
 - (5) The economic impacts of closing the electric generating unit, including expected job losses, if the unit is unable to comply with the performance standards; and
- 48 (6) Any other factors specific to an electric generating unit that 49 make application of a less stringent standard or longer compliance 50 schedule more reasonable.
 - 5. The commission may implement, to the maximum extent permissible, the standards of performance established under this section through regulatory mechanisms that provide flexibility in complying with such standards, including the averaging of emissions, emissions trading, or other alternative implementation measures.
- 56 6. The commission shall not propose or submit to the 57 Environmental Protection Agency any plan establishing standards of 58 performance for existing fossil fuel-fired electric generating units that

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59 is inconsistent with this section.

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